



## EUROPEAN COMMISSION

Brussels,  
C(2013)

**Subject: State aid/ Romania**  
**Aid No SA.37556(2013/N)**  
**Modification of an aid scheme for state aid to potato producers affected by harmful organisms in the potato crops requiring quarantine measures**

Sir,

The European Commission ('the Commission') wishes to inform Romania that, having examined the information supplied by your authorities on the aid measure referred to above, it has decided not to raise any objections to the aid measure in question, since it is compatible with the Treaty on the Functioning of the European Union ('TFEU').

In taking this decision, the Commission has relied on the following considerations:

### **1. PROCEDURE**

- (1) By electronic notification of 23 October 2013, registered by the Commission on the same day, Romania notified, according to Article 108(3) TFEU<sup>1</sup>, the above mentioned aid measure.

### **2. DESCRIPTION**

#### **2.1 Title**

- (2) State aid to potato producers affected by harmful organisms in the potato crops requiring quarantine measures.

#### **2.2 Objective**

- (3) The objective is to notify to the Commission the amendment to the aid scheme SA.33429: "State aid to potato producers affected by harmful organisms in the potato crops requiring quarantine measures" related to its duration and the types of potatoes

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<sup>1</sup> With effect from 1 December 2009, Articles 87 and 88 of the EC Treaty have become Articles 107 and 108, respectively, of the TFEU. The two sets of provisions are, in substance, identical. For the purposes of this Decision, references to Articles 107 and 108 of the TFEU should be understood as references to Articles 87 and 88, respectively, of the EC Treaty where appropriate.

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for which compensation can be awarded in case of pests. This aid scheme was approved by the Commission decision of 18 November 2011 ("Commission decision in case SA.33429").

### 2.3 Beneficiaries

- (4) Same categories as in Commission decision in case SA.33429

### 2.4 Legal Basis

- (5) The legal basis for the measure is: "HOTĂRÂRE nr. 299 din 11 aprilie 2012 cu privire la normele metodologice privind modul de acordare a ajutoarelor de stat producătorilor de cartofi afectați de organismele de carantină dăunătoare culturii cartofului".

### 2.5 Duration

- (6) The duration of this scheme until 31 December 2013 is proposed to be prolonged until 31 December 2014.

### 2.6 Budget and aid intensity

- (7) The overall budget approved in the aid scheme SA.33429 for the period 2011-2013 has been RON 27.3 million (approx. EUR 6 million).
- (8) The present notification proposes an extension of the scheme for the year 2014 with no increase of budget.
- (9) The aid intensity is up to 100 %.

### 2.7 Description

- (10) The modification relates only to the prolonged duration until 31 December 2014 and no related increase of the budget. For the initially approved categories of potatoes for which compensation can be awarded in case of pests, it is proposed that the duration of the measure is extended until 31.12.2014. In addition, from the date of the approval by the Commission, a new category of potatoes is proposed to be introduced within the scope of the scheme until 31.12.2014.
- (11) Commission decision in case SA.33429 approved the aid (and the corresponding maximum lump sums per kg) for the following categories of potatoes

| Nr. crt. | Specificare                         | Suma maximă (lei/kg)* |                                   |               |
|----------|-------------------------------------|-----------------------|-----------------------------------|---------------|
|          |                                     | Cartof sămânță        |                                   | Cartof consum |
|          |                                     | Prebaza<br>Baza       | Certificată<br>(cls. A și cls. B) |               |
| 1.       | Cartof declarat contaminat          | 2,6                   | 2,0                               | 1,5           |
| 2.       | Cartof declarat probabil contaminat | 2,45                  | 1,85                              | -             |

- (12) By the present notification the Romanian authorities propose the introduction of a new category of potatoes affected by harmful organisms. The corresponding thresholds for the new category have been established on the basis of the data provided by phytosanitary units and specialised research centres.

| Nr. crt. | Specificare                         | Suma maximă (lei/kg)* |              |                                |               |
|----------|-------------------------------------|-----------------------|--------------|--------------------------------|---------------|
|          |                                     | Cartof sămânță        |              |                                | Cartof consum |
|          |                                     | Clone A+B+C           | Prebaza Baza | Certificată (cls. A și cls. B) |               |
| 1.       | Cartof declarat contaminat          | 4,2                   | 2,6          | 2,0                            | 1,5           |
| 2.       | Cartof declarat probabil contaminat | 4,2                   | 2,45         | 1,85                           | -             |

- (13) The Romanian authorities confirmed that there are no other modifications to the aid scheme SA.33429.

## 2.8 Commitments by Romania

- (14) The Romanian authorities have committed to suspend the payment of the notified aid if the beneficiary still has at its disposal an earlier unlawful aid that was declared incompatible by a Commission Decision (either concerning an individual aid or an aid scheme), until that beneficiary has reimbursed or paid into a blocked account the total amount of unlawful and incompatible aid and the corresponding recovery interest.
- (15) The Romanian authorities have confirmed that firms in difficulty according to the definition set out in the Community Guidelines on State aid for rescuing and restructuring firms in difficulty<sup>2</sup> are excluded from the scope of the scheme.
- (16) As the measure extends beyond the duration of the Commission Guidelines for State Aid in the Agriculture and Forestry Sector 2007 – 2013<sup>3</sup> ('Guidelines'), Romania commits to adopt the scheme to make it compatible with the provisions in the future Guidelines.
- (17) The Romanian authorities have committed to grant the aid only in respect of activities undertaken after the scheme has been set up and declared compatible with the TFEU by the Commission. Moreover, the beneficiaries must lodge an aid request that has to be approved by the competent authority.

## 3. ASSESSMENT

### 3.1 Existence of State aid

- (18) As already set out in the Commission decision in case SA.33429 (to which this decision fully refers), the measure constitutes State aid within the meaning of Article 107(1) of the TFEU.

<sup>2</sup> OJ C 244, 1.10.2004, p. 2.

<sup>3</sup> OJ C 319, 27.12.2006, p. 1.

### **3.2 Compatibility of State aid**

- (19) As regards the assessment of the content of the notified measure, reference is made to the decision taken on State aid scheme SA.33429 which was approved under Chapter V.B.4 (Aid for combating animal and plant diseases) of the Guidelines and which remains in force. The applicable State aid rules have not changed.
- (20) The Romanian authorities confirmed that, other than the prolongation of the duration and the introduction of the new category of potatoes described above (para. 12), there are no alterations to the measure. Therefore, this modification does not affect the evaluation of the compatibility of the aid measure with the internal market, as carried out in the Commission decision in case SA.33429.
- (21) The Romanian authorities have committed to suspend the payment of the notified aid if the beneficiary still has at its disposal an earlier unlawful aid that was declared incompatible by a Commission Decision (either concerning an individual aid or an aid scheme), until that beneficiary has reimbursed or paid into a blocked account the total amount of unlawful and incompatible aid and the corresponding recovery interest (cf. para. 14).
- (22) Romania has given its assurance that firms in difficulty within the meaning of the Community Guidelines on State Aid for rescuing and restructuring firms in difficulty are not eligible for funding (cf. point 15).
- (23) On the basis of the above considerations it may be concluded that the aid scheme in question complies with the relevant provisions of the Guidelines and is therefore considered compatible with the internal market under Article 107(3) (c) of the TFEU. However, since the present aid scheme is proposed to be prolonged until 31 December 2014, the Commission would like to remind the Romanian authorities that the current Guidelines are due to expire at the end of 2013 and the Commission may, if necessary, propose appropriate measures to ensure that the existing schemes are adapted to the new applicable rules.

### **CONCLUSION**

- (24) The Commission has accordingly decided not to raise objections to the measure as it is compatible with the internal market under Article 107(3)(c) TFEU.
- (25) If this letter contains confidential information which should not be disclosed to third parties, please inform the Commission within fifteen working days from the receipt of the present letter. If the Commission does not receive a reasoned request by this deadline, you will be deemed to have agreed to the disclosure to third parties and to the publication of the full text of this letter in the authentic language on the internet site:  
<http://ec.europa.eu/competition/elojade/isef/index.cfm>.
- (26) Your request should be sent by registered letter or fax to:

European Commission  
Directorate-General for Agriculture and Rural Development  
Directorate Agricultural Legislation

Office: Loi 130 5/98A  
B-1049 Brussels  
Fax No: 0032 2 2967672

Yours faithfully,

For the Commission

Dacian CIOLOȘ  
Member of the Commission